## Message Text

CONFIDENTIAL

PAGE 01 BONN 11008 01 OF 02 111715Z

50

**ACTION EUR-25** 

INFO OCT-01 ACDA-19 ISO-00 SAJ-01 IO-14 AID-20 CEA-02

CIAE-00 COME-00 EB-11 EA-11 FRB-02 INR-10 NEA-14

NSAE-00 RSC-01 OPIC-12 SP-03 TRSE-00 CIEP-02 LAB-06

SIL-01 SWF-02 OMB-01 AGR-20 STR-08 SS-20 NSC-07 L-03

PA-04 PRS-01 USIA-15 SAM-01 FEAE-00 OIC-04 DRC-01

/242 W

----- 08832

R 111705Z JUL 74

FM AMEMBASSY BONN

TO SECSTATE WASHDC 3742

INFO AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY THE HAGUE

AMEMBASSY LISBON

AMEMBASSY LUXEMBOURG

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY REYKJAVIK

AMEMBASSY ROME

AMEMBASSY LONDON

AMEMBASSY DUBLIN

AMEMBASSY MOSCOW

USMISSION EC BRUSSELS

USMISSION NATO BRUSSELS

USDEL MBFR VIENNA

CONFIDENTIAL SECTION 01 OF 02 BONN 11008

E.O. 11652: GDS TAGS: PFOR, FR, GW CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BONN 11008 01 OF 02 111715Z

SUBJECT: FURTHER ON JULY 8-9 FRANCO-GERMAN SUMMIT:

## **ENERGY COOPERATION**

REF: BONN 10941

SUMMARY: HERMES, DIRECTOR OF ECONOMIC DIVISION OF FOREIGN OFFICE DISCOUNTED ADMINISTRATIVE MEASURES BEING TAKEN TO AFFECT FRENCH-GERMAN TRADE. MOST IMPORTANTLY HERMES REPORTED ON ENERGY COOPERATION DISCUSSIONS AND ASKED FOR INFORMATION TO BE USED IN FURTHER DISCUSSIONS WITH FRENCH. WOULD APPRECIATE ANY GUIDANCE WASHINGTON CAN GIVE. END SUMMARY

- 1. FRG FONOFF ECONOMIC DIRECTOR HERMES TOLD ECONCOM MINISTER ON JULY 9 HE HAD VERY LITTLE TO ADD TO WHAT POLITICAL DIRECTOR VAN WELL HAD TOLD MINISTER CASH ON FRANCO-GERMAN SUMMIT. HE ADDED THAT PRESS REPORTING HAD CORRECTLY REFLECTED THE CHARACTER AND PREOCCUPATIONS OF THE MEETING.
- 2. WHEN QUERIED AS TO WHAT VAN WELL MEANT IN SPEAKING OF "ADMINISTRATIVE MEASURES" TO DISCOURAGE GERMAN EXPORTS AND FRENCH IMPORTS, HERMES CONFIRMED THAT HE FOUND THIS FORMULATION EQUALLY CONFUSING. HE DID NOT THINK THERE WOULD BE ANY "ADMINISTRATIVE MEASURES" AIMED AT RESTRICTING GERMAN EXPORTS TO FRANCE OR FRENCH IMPORTS FROM THE FRG. HE THOUGHT IT SHOULD BE UNDERSTOOD RATHER AS THE INTENTION OF EACH SIDE IN CARRYING OUT ITS OVERALL ECONOMIC STABILIZATION PROGRAM NOT TO ADOPT MEASURES WHICH WOULD ENCOURAGE EXPORTS ON ONE SIDE OR ENCOURAGE IMPORTS ON THE OTHER SIDE.
- 3. MORE IMPORTANTLY, HERMES STRESSED DISCUSSIONS ON ENERGY COOPERATION WHICH WERE CONDUCTED BETWEEN THE TWO FOREIGN MINISTERS. HERMES TOLD US THE TWO SIDES DID NOT FIND ANY DEFINITE SOLUTION. GERMANS TOLD THE FRENCH THEY ENVISAGED A COMMON ENERGY POLICY TAKING SHAPE WITHIN THE EC BUT THAT EC DOES NOT HAVE ALLEMBRACING COMPETENCE IN THIS FIELD. THE FRENCH WERE TOLD THAT SINCE OTHERS NEED TO BE ASSOCIATED IN ANY COMMON EFFORT IN THE ENERGY FIELD, THERE HAD TO BE CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BONN 11008 01 OF 02 111715Z

COOPERATION WITHIN THE FRAMEWORK WITHIN THE GROUP OF 12. THEREFORE, GERMANS HOPED THAT FRENCH COULD BE INCORPORATED INTO THIS EFFORT.

4. HERMES SAID FRENCH DID NOT TAKE ISSUE WITH

CONFIDENTIAL
NNN
CONFIDENTIAL
PAGE 01 BONN 11008 02 OF 02 111716Z
50 ACTION EUR-25
INFO OCT-01 ACDA-19 ISO-00 IO-14 AID-20 CEA-02 CIAE-00
COME-00 EB-11 EA-11 FRB-02 INR-10 NEA-14 NSAE-00
RSC-01 OPIC-12 SP-03 TRSE-00 CIEP-02 LAB-06 SIL-01
SWF-02 OMB-01 SAJ-01 STR-08 AGR-20 SS-20 NSC-07 L-03
PA-04 PRS-01 USIA-15 SAM-01 FEAE-00 OIC-04 DRC-01
/242 W
088343
R 111705Z JUL 74
FM AMEMBASSY BONN TO SECRETATE WASHING 2742
TO SECSTATE WASHDC 3743 INFO AMEMBASSY ANKARA
AMEMBASSY ATHENS
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY THE HAGUE
AMEMBASSY LISBON
AMEMBASSY LUXEMBOURG
AMEMBASSY OSLO
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY REYKJAVIK
AMEMBASSY ROME
AMEMBASSY LONDON
AMEMBASSY DUBLIN
AMEMBASSY MOSCOW
USMISSION EC BRUSSELS
USMISSION NATO BRUSSELS
USDEL MBFR VIENNA

C O N F I D E N T I A L SECTION 02 OF 02 BONN 11008

CONFIDENTIAL

## CONFIDENTIAL

PAGE 02 BONN 11008 02 OF 02 111716Z

GERMAN VIEWS. HOWEVER, SAUVAGNARGUES EXPRESSED CONCERN AND IRRITATION OVER DIFFERENT APPROACHES ENVISAGED IN US OIL-SHARING PROPOSAL AS BETWEEN SELECTIVE AND GENERAL EMBARGOES. IN THE CASE OF ANTICIPATED TREATMENT OF GENERAL EMBARGO, FRENCH WERE PERSUADED US WOULD HAVE FAVORED POSITION. FRENCH ALSO CONSIDERED THAT CONSTRAINTS BUILT INTO AUTOMATIC TRIGGER WERE TOO NARROW.

- 5. HERMES TOLD US FRENCH EXPRESSED A NEED FOR MORE TIME TO WORK OUT A DEFINITIVE POSITION ON ENERGY COOPERATION. KEEPING IN MIND THE FACT THAT ECG FINAL MEETING IS SCHEDULED FOR SEPTEMBER AND DIFFICULTY OF ACHIEVING MUCH DURING FORTHCOMING VACATION PERIOD, GERMANS TOLD FRENCH THERE WAS SOME TIME BUT NOT VERY MUCH TIME AVAILABLE. HERMES REFERRED GUARDEDLY TO THOUGHT BEING GIVEN AT HIGH LEVEL OF HAVING A SMALL GROUP GET TOGETHER TO HANDLE ECG FOLLOW-UP. IN REPLY TO OUR QUERY HERMES CONFIRMED THAT HE WAS NOT SPEAKING OF A FRANCO-GERMAN GROUP BUT OF A BROADER GROUP WHICH COULD INCLUDE THE FRENCH. AN ECONOMICS MINISTRY SOURCE REPORTED THAT HIS FRENCH COUNTERPART IN THE MINISTRY OF INDUSTRY APPEARS PREPARED TO WORK WITHIN THE GROUP OF 12 BUT THAT THE QUAI IS MORE HESITANT BECAUSE OF ITS FEARS THAT IT MIGHT UPSET THE EC-ARAB DIALOGUE.
- 6. ACTION REQUESTED: HERMES ASKED FOR ANY US ARGUMENTATION ON DEALING WITH SAUVAGNARGUES' CONCERN OVER OIL-SHARING AND CONSTRAINTS WHICH MIGHT BE USED BY GERMANS IN FURTHER DISCUSSIONS WITH THE FRENCH. WE WOULD THEREFORE APPRECIATE RECEIVING ANYTHING WE COULD USE TO HELP THE FRG IN THIS REGARD. CASH

CONFIDENTIAL

NNN

## Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED Concepts: ECONOMIC DEVELOPMENT, INFLATION, ECONOMIC STABILITY, SUMMIT MEETINGS, MEETING REPORTS, ECONOMIC

REPORTS, ECONOMIC PROGRAMS, PRICES, INTERGOVERNMENT AL COOPERATION

Control Number: n/a Copy: SINGLE Draft Date: 11 JUL 1974 Decaption Date: 01 JAN 1960 Decaption Note: Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BONN11008
Document Source: CORE
Document Unique ID: 00

**Document Unique ID: 00** 

Drafter: n/a Enclosure: n/a Executive Order: GS Errors: N/A

Film Number: D740185-0549

From: BONN

Handling Restrictions: n/a Image Path:

ISecure: 1

Legacy Key: link1974/newtext/t19740759/aaaabyha.tel Line Count: 209

Locator: TEXT ON-LINE, ON MICROFILM

Office: ACTION EUR

Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a

Page Count: 4

Previous Channel Indicators:

Previous Classification: CONFIDENTIAL Previous Handling Restrictions: n/a Reference: BONN 10941 Review Action: RELEASED, APPROVED

Review Authority: golinofr Review Comment: n/a Review Content Flags: Review Date: 20 MAR 2002 **Review Event:** Review Exemptions: n/a

Review History: RELEASED <20 MAR 2002 by izenbei0>; APPROVED <13 MAY 2002 by golinofr>

Declassified/Released US Department of State

**Review Markings:** 

EO Systematic Review 30 JUN 2005

**Review Media Identifier:** Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

Secure: OPEN Status: NATIVE

Subject: FURTHER ON JULY 8-9 FRANCO-GERMAN SUMMIT: ENERGY COOPERATION

TAGS: PFOR, FR, GE To: STATE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005